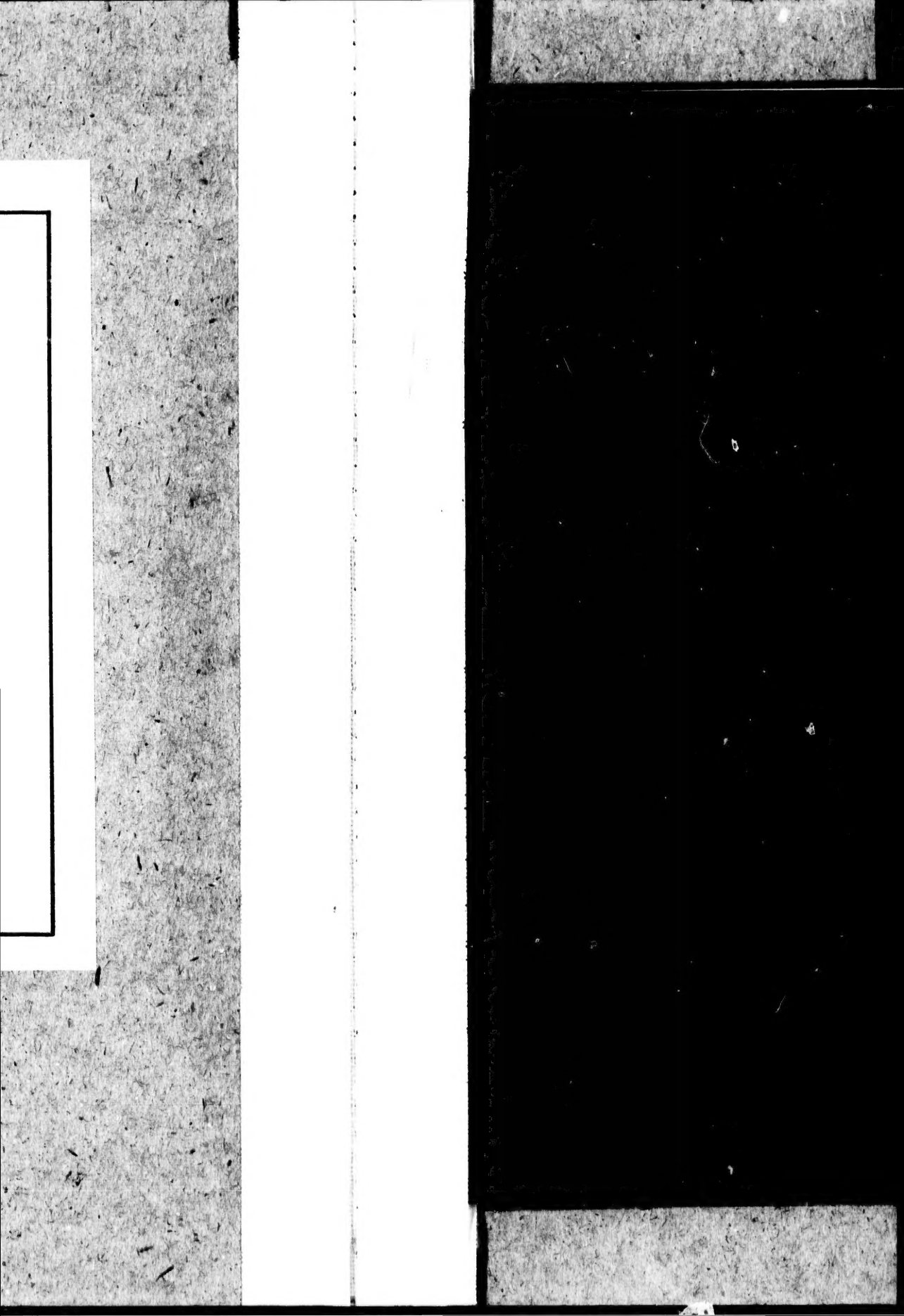


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Cobequi

PRINTED

ACT OF INCORPORATION

AND

BYE LAWS

OF THE

*Cobequid Marine Insurance Company.*



HALIFAX, N.S.:

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1865

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## **An Act to Incorporate the Cobequid Marine Insurance Company.**

*(Passed the 18th day of April, A. D., 1864.)*

### SEC.

1. Incorporation.
2. Real Estate.
3. Capital. Shares.
4. Liability of Shareholders.
5. Holders to give security for balance of stock.
6. Calls—how made, &c.
7. Affairs of Company—how managed.
8. First Meeting—when held.
9. Minutes of proceedings to be kept, &c.
10. Stock list Transfer to be entered.

### SEC

11. Company—when to go into operation. Amount to be insured on one risk.
12. Capital—how invested, &c.
13. Books open to inspection. Securities to be approved by the Governor in Council.
14. If capital exhausted business to cease. If policies issued president and directors liable.
15. Company—how dissolved.

Be it enacted by the Governor, Council, and Assembly, as follows:—

1. Adams G. Archibald, James K. Blair, James Crowe, James Campbell, J. F. Blanchard, Charles Cox, John B. Dickie, James Flemming, John Yuill, Charles Blanchard, Samuel Rettie, and George Reading, and such other persons as now are or may hereafter become shareholders in the company hereby established, their successors and assigns,

shall be a body corporate by the name of the Cobequid Marine Insurance Company, for the purpose of conducting the business of Marine Insurance at Truro in this Province.

2. The company may purchase, take, and hold real estate not exceeding the value of four thousand dollars.

3. The original capital stock of the company shall be thirty thousand dollars, which may subsequently be increased by vote of the shareholders to sixty thousand dollars, to be divided into shares of one hundred dollars each, which shares shall be numbered in regular progression; but no member of the company shall hold more than twenty-five shares at one time.

4. No member of the corporation shall be liable on account of the debts of the company to a greater amount in the whole than double the amount of the stock held by him, deducting the monies paid thereon to the company, unless he shall have rendered himself liable for a greater amount by becoming surety for the debts of the company.

5. Every shareholder shall, at or before the time appointed for payment of the first call for payments on account of the shares, execute and deliver to the company, either a bond, with a mortgage on real estate to accompany the same, or otherwise a bond with two sufficient sureties, such bonds to be renewable as often as the president and directors shall require, and to be conditioned for the payment of the residue of the calls to become due or payable on the shares held by him, which securities shall be subject to the approval of the majority of the persons named in this Act, until the board of directors shall be chosen, and afterwards to the approval of such board.

6. All calls or instalments on account of the shares shall

be paid by the several shareholders at such times and in such equal proportions as the directors shall appoint, and notice of the times and places of paying such calls shall be given by them, by advertisement, in at least two of the Halifax newspapers thirty days at least previous to the time of payment.

7. The management of the affairs of the company shall be conducted by a board, to consist of a president and six directors, and the necessary officers of the company shall in addition thereto consist of a secretary, two auditors or examiners of the accounts of the company, and such other officers and servants as the company shall by their bye-laws direct.

8. So soon as three hundred shares are subscribed, the company may hold their first meeting.

9. The proceedings of every general or special meeting of the company shall be entered by the secretary, or such other person as shall attend in his place, in a book to be kept for that purpose, and shall then be signed by the chairman of the meeting, and being so entered and signed shall be deemed to be the original orders and proceedings of the company, and when proved shall be legal evidence thereof, which book shall be kept at the office of the secretary, and shall be open for the inspection of any person who may desire the same at all reasonable times, without fee.

10. The secretary shall also keep in his office a book containing a record of the original subscriptions of stock, and of all additions thereto, and of all alterations in the ownership thereof, together with the amounts paid thereon: and no transfer of such stock shall be valid until it shall be entered in such book, which book being proved shall be legal



evidence of the ownership of the shares, and shall be open for the inspection of any person who may desire the same at all reasonable times, without fee.

11. As soon as the whole original capital shall have been subscribed, and the sum of seven thousand five hundred dollars shall have been actually paid to the company by the proprietors of shares, and sufficient securities shall have been given by them for the balance thereof, the directors may, at their office in Truro, commence and conduct the business of marine insurance in all its branches, and may make insurance upon all subjects of marine insurance whatsoever, and may transact all matters relating to the business of a marine insurance broker, insurer or underwriter; but until the expiration of one year from the time when the company shall commence the business of insurance no greater sum than four thousand dollars, and after the expiration of the year no greater sum than eight thousand dollars in the whole shall be insured by the company and be at risk at the same time upon any one ship or vessel, her cargo, freight or other interest therein depending on the same risk.

12. All the paid capital of the company which shall not be considered necessary to be kept on hand for the payment of losses or expenses shall be kept constantly invested at interest upon approved securities as mentioned in the fifth section, or in public funds, bank or other stocks, in the name of the company, but no part thereof beyond the sum absolutely necessary for procuring the necessary buildings for conducting the business of the company shall be invested in the purchase of real estate, nor shall any part thereof be lent on bottomry or respondentia, or on mortgage of ships or vessels, but mortgages of other personal property may be held by the company to secure a debt; nor shall the funds of

the company be employed in merchandize; nor shall the company carry on trade as a merchant; nor shall any dividend be made of any part of the capital stock; nor shall any loan of any part of the capital stock be made directly or indirectly to any director of the company; nor shall any such director be a party to any security for any such loan; and no stockholder to whom any part of the capital stock shall have been lent shall be eligible as a director during the continuance of such loan.

13. The books and accounts of the company shall at all times be open to the examination of such persons as the Governor in Council shall appoint to inspect the same; and before any policy of insurance shall be issued by the company, the securities upon which the surplus capital stock and the balance of the unpaid stock of the company shall have been invested or secured, shall be first approved by the Governor in Council.

14. If it shall happen that in consequence of any losses or misfortunes, or other means whatsoever, the original or increased capital and joint stock of the company shall at any time be wholly expended, or claims against the company shall be outstanding unsettled to an amount equal to the existing and available capital and funds of the company, then as soon as the same shall be known to the president or board of directors it shall not be lawful for the company to make, or for the board to accept, orders for, or issue any new insurance or policies whatsoever; and if any further insurance shall be made, or policies issued, after such knowledge of the affairs of the company had by the president or directors, or any of them, then for all losses under such insurance and policies the president and each of the directors

who shall accept or make such insurance, or authorize or sign the same policy shall be personally and jointly and severally liable to the full amount of such losses and all charges incident thereto.

15. Upon the happening of such losses or misfortunes as last mentioned to the extent of the capital and funds, or upon the vote of three fourths in number of the proprietors in the company holding at least three fourths of the whole number of shares in the company, the proprietors may dissolve the company and declare that the same shall cease on a day to be fixed, and thereupon the company on that day shall cease and determine.

## **“Cobequid Marine Insurance Company.”**

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1. The Annual General Meeting of the Company shall be held on the second Tuesday of August in every year after this present year, at which meeting the officers shall be annually chosen, and all accounts respecting the business of the Company made up to the last day of July preceding, shall be laid before said meeting.

2. Special meetings shall be summoned by the directors, whenever they may deem the same necessary, or whenever a requisition in writing therefor shall be delivered to the Secretary, signed by at least ten shareholders owning not less than one hundred shares, and specifying the object of such meeting; meetings of the Board of Directors, of whom two with the President shall form a quorum, may be held as often as the Directors may deem expedient. No risks shall be taken except at such meetings, unless under the authority of two or more Directors. Notice of the day appointed for the annual or for any general or special meeting of the Company shall be given by advertisement in two of the public newspapers in Halifax at least fifteen days previously

thereto, or by notices, to be posted three days in the most public places in Truro, Londonderry and Maitland.

3. No shareholder shall be qualified to be elected, or to sit or act as President, or as a Director, unless at the day of election he shall hold and possess, and during the time that he shall continue President or Director, continue to hold and possess four shares at least of the joint stock of the Company.

4. At every annual, general and special meeting of the Company, every shareholder having paid up all calls then due and payable, shall be entitled to vote according to the number of shares which he may possess, as follows:—The owner of one share shall have one vote, the owner of five shares two votes, and the owner of ten shares three votes, any shareholder may vote by proxy constituted in writing, such proxy being a shareholder and entitled to vote; and every such vote by proxy shall be as good and sufficient to all intents and purposes as if the principal had voted in person; whenever any share shall be held by more than one person, then the person present at the meeting who stands first on the registry or is first named on the stock certificate shall be the person entitled to vote; at meetings of the Board of Directors, each Director shall have one vote only; every question which shall be considered at any general or special meeting of the Company, shall be determined by a majority of votes and proxies then given; and every question which shall be considered at any meeting of the Board of Directors, shall be determined by the majority of votes of the Directors present. In case it should happen at any general or special meeting of the Company, or at any meeting of the Board of Directors, that the votes are equal, then the Presi-

dent, or in his absence the Chairman of the meeting or of the Board, shall be entitled to a casting vote in addition to his own personal vote.

5. No annual or special meeting of the Company shall be held, unless there be present thereat, and at the giving of the votes, at least ten members holding at least one hundred shares; and at every annual, general or special meeting of the Company, the President or in his absence the senior Director present, or in the absence of all the Directors, one of the shareholders to be chosen at such meeting shall be Chairman of such meeting. If at any day appointed for such meeting a sufficient number of shareholders shall not attend within one hour after the time appointed therefor the meeting shall be adjourned until the next or some future day by the President or senior Director, or if no Director be present, by the Secretary, or by such person as may attend in his place.

6. The offices of President, Director, Secretary, Treasurer or Auditors shall become, and may be by the Board, declared vacant on the death, resignation, three months absence, or permanent removal from the Province of the officer, by his ceasing to hold the number of shares required as a qualification, or by a vote of the general meeting of the shareholders removing the officer for misconduct or malversation in office. Every such vacancy, except in the office of President shall be filled by the Board of Directors, choosing a shareholder who shall serve until the annual meeting.

7. All orders and directions for insurance given to the Company and accepted by them and all Policies of Insurance made and sealed with the common seal, and signed by the President or by any Chairman of the Board of Directors,

and countersigned by the Secretary shall be binding and obligatory upon the Company, and upon all their joint stock capital, funds, property and effects whatsoever; and the amount by such Policies insured and which upon adjustment of any loss is or ought to be payable to the assured thereupon, shall be faithfully and truly paid and satisfied within sixty days from the time of the settlement and adjustment thereof.

8. At every annual meeting or some adjournment thereof, there shall be made out of the clear residue of the profits and advantages, rents, premiums, and interest to the Company accrued, or by the same previously made after deducting therefrom an allowance sufficient to discharge the outstanding and probable claims against the Company, such dividend and dividends as the shareholders at such meeting may order and direct. Such dividend or dividends shall be at and after the rate of so much for every share held by the members thereof, their executors, administrators or assigns, or else the said clear residue or some part thereof shall be directed to accumulate and added to the capital stock; provided always that the monies received, or the securities taken for the premiums of Insurance undetermined and outstanding on the last day of July in every year, shall not be deemed to be part of such profits.

9. Whenever the premium of any Policy is under twenty dollars, the same shall be paid for in cash at the time of signing the Policy; when from twenty to sixty dollars payable in three months; when from sixty dollars and upwards in six months; and on Policies for time the same shall be payable at the expiration of the period for which the Insurance shall be effected. All premiums on which credit is given

shall be secured by notes to the satisfaction of the Directors.

10. In case of sickness or temporary absence of the Secretary or Treasurer, his place shall if practicable be filled by one of the Directors, if not, by some other person to be chosen by the Board.

11. All applications for Insurance shall be made in writing, or in part or partly in writing and partly in printing with a full description of the risk.

12. It shall be the duty of the local Directors to get all the information in their power respecting the age, condition, &c., of any vessel belonging to this locality or the neighboring ports and to give the same to the Secretary, to be recorded in a book to be kept for that purpose. Local Directors may if they find it necessary send an inspector to report upon any risk offered to the Company, and such inspector shall be paid by the Board of Directors according to their estimate of the value or necessity of such service.

13. A charge of one dollar shall be made for each Policy, and when a copy is required fifty cents shall be charged therefor, but no charge shall be made for a Policy when the premium is under twenty dollars.

14. On any application for Insurance, when a Director is interested therein, he shall not vote on the consideration of the risk.

15. All policies of absent shareholders shall be given in writing under their own hand or that of their legal representatives.

16. All monies paid on account of shares shall be deposited by the Treasurer in such bank or banks, and in such sums as the President and Directors may direct at the high-



est rate per cent. that can be gotten. Receipts in the name of the "Cobequid Marine Insurance Company," and all other monies belonging to the Company shall be paid by the Treasurer into such Bank as the President and Directors shall direct, either on deposit receipt, or otherwise, at such times and in such sums as the President and Directors may order, and in case any such monies are to be drawn from said Bank by cheque, such cheque shall be signed by the President, or in his absence or sickness by any Director who may be acting as Chairman of the Board, and countersigned by the Treasurer.

17. No existing Bye-Law shall be altered nor any new Bye-Law proposed, unless notice thereof shall have been given at a previous annual general meeting or at a special general meeting of the shareholders, which shall have been duly called for the purpose to be held at least one calendar month previous to the meeting at which such alteration or new Bye-Law shall be proposed.

18. The Treasurer shall give a bond in the sum of (\$8,000) eight thousand dollars for the faithful discharge of his duty.

## ***Officers of the Company.***

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### ***President :***

A. G. ARCHIBALD.

### ***Directors :***

JAMES CROW,  
ROBERT SMITH,  
A. W. McLELAN,

CAPT. J. CAMPBELL,  
NELSON MURPHY,  
CAPT. CHAS. COX.

### ***Auditors :***

J. F. BLANCHARD, | A. M. COCHRAN.

### ***Treasurer :***

CHARLES BLANCHARD.

### ***Secretary :***

JAMES K. BLAIR.